

COMMUNITY AFFAIRS COMMITTEE

DATE: January 31, 2006

CALLED TO ORDER: 5:05 p.m.

ADJOURNED: 5:20 p.m.

ATTENDANCE

ATTENDING MEMBERS

Greg Bowes, Chair

Patrice Abdullah

Rozelle Boyd

Susie Day

ABSENT

Ginny Cain

Joanne Sanders

James Bradford

AGENDA

PROPOSAL NO. 174, 2005 - approves an increase of \$2,300,150 in the 2005 budget of the Marion County Auditor (County General Fund) to make a payment for the housing of juvenile inmates, funds transferred from the Children's Psychiatric Residential Treatment Fund to the County General Fund (IC 12-19-7.5-33)

"Stricken"

Vote: 4-0

PROPOSAL NO. 41, 2006 - approves an appropriation of \$3,366,790 in the Budget of the Marion County Auditor (Children's Psychiatric Residential Treatment Services Fund) to pay the Indiana Department of Correction for expenses of incarcerating juveniles at the Plainfield and Indianapolis youth correctional facilities

"Do Pass"

Vote: 4-0

Community Affairs Committee

The Community Affairs Committee of the City-County Council met on Tuesday, January 31, 2005. Chair Greg Bowes called the meeting to order at 5:05 p.m. with the following members present: Patrice Abduallah, Rozelle Boyd, and Susie Day. Absent were Ginny Cain, Joanne Sanders, and James Bradford.

PROPOSAL NO. 174, 2005 - approves an increase of \$2,300,150 in the 2005 budget of the Marion County Auditor (County General Fund) to make a payment for the housing of juvenile inmates, funds transferred from the Children's Psychiatric Residential Treatment Fund to the County General Fund (IC 12-19-7.5-33)

Chair Bowes explained that Proposal No. 174, 2005 is similar to Proposal No. 41, 2006, and it is understood that the new proposal replaces the old one.

Councillor Abduallah moved, seconded by Councillor Boyd, to "Strike" Proposal No. 174, 2005. The motion carried by a 4-0 vote.

PROPOSAL NO. 41, 2006 - approves an appropriation of \$3,366,790 in the Budget of the Marion County Auditor (Children's Psychiatric Residential Treatment Services Fund) to pay the Indiana Department of Correction for expenses of incarcerating juveniles at the Plainfield and Indianapolis youth correctional facilities

Jeff Seidenstein, Budget Manager, Office of Finance and Management, stated that the proposal is to appropriate \$ 3,366,790 dollars out of the Children's Psychiatric Treatment Fund in accordance with State Law IC 12-19-7.5-33, which states that at the end of the year the surplus monies that are in the fund are to be paid back to the State for the Department of Corrections (DOC) to cover the cost of incarcerating juveniles at State facilities. He also stated that at the end of 2004, there was another surplus in the amount of \$2.3 million, and that money was never transferred to the State and was in limbo due to some discussions between the City and the State. He also added that at the end of 2005, there was another \$1,066,000 dollars that was determined to be a surplus so the total for the two years added up to \$ 3,366,790 and that is what is needed to be transferred to the State to cover the County's obligations.

Robert Clifford, City Controller, stated that last year the Council was asked to hold the transfer of funds because of the pending lawsuit against the State concerning the juvenile justice charges that were the State's responsibility. He added that because the County lost the preliminary junction, by law, it is required to start withholding Property Tax Replacement Credits (PTRC). Mr. Clifford stated that an agreement of Memorandum of Understanding (MOU) was entered between the City, County, and State which basically outlines how much and what amount is to be repaid. He also stated that in Section 5 of the MOU, it refers back to the 2004 Children's Psychiatric Treatment fund in the amount of \$2,300,150 dollars, and it was agreed that the funds would be returned to the State and the State would credit the transferred amount against the March 2006 PTRC withholdings by the Auditor.

Chair Bowes asked if the estimated revenues in Section 5 of the proposal that will be received in 2006 are \$ 1.8 million and, if the approved appropriation is \$2.3 million. He also asked, if the balances at the end of the year are supposed to be at zero, where the other half million dollars comes from to be used in 2006. Mr. Seidenstein stated that there is a provision in the law that states half of the money spent last year remains in the fund to be carried over into the new year. Councillor Abduallah asked if this is the same amount paid each year. Mr. Clifford stated that it most likely can be, but he doubts it would be this big of a balance. He also stated that the State is looking at different alternatives for taking over the funds associated with the children's welfare and, to that extent, is in a talk with abolishing all child psychiatric funds and rolling them into one that would become a statewide levy and that is in House Bill 1001.

Councillor Boyd asked if there is a statewide levy and what that would cover. Mr. Clifford stated that each county would have their own levy based on its four-year history of expenditures. That levy would become statewide, and the citizens of Marion County would pay for the levy and any increases due to additional costs or inflation and would then become a cost of the State. He also stated that this is a tiered step for the Legislature to recognize the State's responsibility for the spending and who should be responsible for the revenues.

Councillor Boyd moved, seconded by Councillor Abduallah, to send Proposal No. 41, 2006 to the full Council with a "Do Pass" recommendation. The motion carried by a 4-0 vote.

With no further business pending, and upon motion duly made, the Community Affairs Committee of the City County Council was adjourned at 5:30 p.m.

Respectfully submitted,

Greg Bowes, Chair
Community Affairs Committee

GB/lw